



**THE OFFICE OF  
STATE TREASURER  
DENISE L. NAPIER**

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# **NEWS**

**FOR IMMEDIATE RELEASE**

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## **Connecticut Businesses Will Pay Lower Assessments in FY2010 to Treasury's Second Injury Fund**

*Rates Paid by Businesses Have Not Increased for Eleven Consecutive Years*

Connecticut Treasurer Denise L. Nappier announced today that state businesses will see a reduction in the amount of money they will be required to contribute to the state's Second Injury Fund for fiscal year 2010, which begins July 1, 2009.

Nappier reported rate assessment reductions as follows: for businesses using insurance companies, the rate will decrease from 3% to 2.75% for regular policies, and decrease 2.4% to 2.2% for assigned risk policies. The rate for self-insured employers will decrease from 4.7% to 3.84%.

Nappier said the program's unfunded liabilities have now dropped by 47.9%, from \$838 million in 1999 to \$436.8 million currently, as a result of a prudent settlement strategy in active cases.

"In these difficult times, my administration continues to work diligently to pass along savings to Connecticut businesses without compromising any benefits due to Connecticut workers. The Treasury is able to offer some relief where it counts the most, on the bottom line," said Nappier.

Putting this year's rate reductions in perspective, Nappier said that 2009 "marks the eleventh consecutive year in which my Office has been able to either reduce or maintain the assessment rate for Connecticut businesses—the longest period without an assessment rate increase in the history of the Second Injury Fund." The achievement is a direct result of management reforms, tighter fiscal controls initiated early on in her administration, and the 2005 revisions to the Second Injury statutes reducing the assessment surcharge base for insured employers, she said.

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The Treasurer is the custodian of the [Second Injury fund \(“SIF” or “the Fund”\)](#), a state operated workers’ compensation insurance fund established in 1945 to discourage discrimination against veterans and encourage the assimilation of workers with a pre-existing injury into the workforce. The Fund is financed by assessments on Connecticut employers. Insured employers pay a surcharge on the workers’ compensation insurance policies based on annual net written premiums. The assessment for self-insured employers is based on workers’ compensation paid losses for medical and indemnity benefits incurred in the prior calendar year.

Since 1998, overall rates paid by employers through insurance companies have dropped by 72.5%; self-insured employers have seen a 73.5% reduction. The rates are now the lowest they’ve been in over a decade, with total savings to Connecticut businesses from reduced rates and lesser payments expected to reach \$482 million.

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